

Behm, Andrew - PSC

From: Ignatowski, Timothy [Timothy.Ignatowski@milwaukee.gov]
Sent: Tuesday, April 27, 2010 11:24 AM
To: Behm, Andrew - PSC
Subject: RE: Utility financed and contributed plant balances for transmission and distribution mains 3720-WR-107
Attachments: image001.jpg

Those numbers are correct. We also have about \$3 million in station mains (large transmission mains located on the grounds of our pumping stations).

Utility financed	\$225,536,237
Contributed	73,474,245
Total	299,010,482

We don't have the detail split between for distribution/transmission for utility/contributed. Before CIAC Order 05-US-105, all projects were combined in the Water Main Property Ledger. There is wasn't any reference in regard to utility or developer financing. After the CIAC Order, we keep track of the dollar amounts between the two. But, the contributed mains by size are combined with the internally financed mains in the Property Ledger and we don't reference the contributed or internally financed.

Tim Ignatowski
 Accountant III
 Milwaukee Water Works
 841 N. Broadway - Room 409
 Milwaukee, WI 53202
 Phone: 414-286-2435
 Fax: 414-286-0531
 Email: timothy.ignatowski@milwaukee.gov

From: Behm, Andrew - PSC [mailto:Andrew.Behm@wisconsin.gov]
Sent: Tue 4/27/2010 10:11 AM
To: Ignatowski, Timothy
Subject: Utility financed and contributed plant balances for transmission and distribution mains 3720-WR-107

Tim,

I am following up on the emails below dealing with Milwaukee's plant balance for mains. Ed Marion lists the original cost of main sized 12 inch and smaller (distribution) as \$207,634,000 and the original cost of main larger than 12 inch (transmission) as \$88,476,000. Since these numbers came from Milwaukee, I assume they are correct, but can you please confirm?

Also, I assume these are balances for total plant. Can you break out the original cost of distribution main funded by the utility and funded by customer contributions? Can you do likewise with the original cost of transmission main?

Thank you,

Andrew Behm
 (608) 266-1282

From: Lawrie J. Kobza [mailto:lkobza@boardmanlawfirm.com]
Sent: Wednesday, April 21, 2010 3:36 PM
To: Ludwig, David - PSC
Subject: FW: Milwaukee Water Works

Hi David,

I am following up my last email to you regarding the allocation of distribution and transmission mains. I asked Atty. Ed Marion for information from Milwaukee Water Works on the original and depreciated asset value of distribution and transmission mains. Milwaukee's response is below. As you can see, the actual information is substantially different than what is being used in the 2010 cost of service study and is much more in line with the 2007 cost of service study. My understanding is that PSC staff typically uses actual information when it is available.

Lawrie

Lawrie J. Kobza
Boardman, Suhr, Curry & Field LLP
One S. Pinckney Street, 4th Floor
P.O. Box 927
Madison, WI 53701-0927
(608) 283-1788
(608) 283-1709 (fax)
lkobza@boardmanlawfirm.com

From: Edward Marion [mailto:marionllc@me.com]
Sent: Wednesday, April 21, 2010 3:30 PM
To: Lawrie J. Kobza
Cc: Carrie Lewis; Linda Burke; Daniels, Laura; Smith, Earl; Thomas Miller
Subject: Milwaukee Water Works

Lawrie,

Here are the figures from Carrie Lewis:

Original asset values (actual, rounded to nearest thousand):

12" and under: \$207,634,000
Over 12": \$88,476,000

Depreciated asset values (estimated):

12" and under: \$164,434,000
Over 12": \$69,913,000

Please let me know if this is not the information you requested.

Ed
Edward S. Marion
Attorney-at-Law, L.L.C.
716 Ottawa Trail
Madison, Wisconsin, 53711
Phone (608) 334-9741
Fax (866) 297-7175
Email: marion@emarionlaw.com



NOTICE: This e-mail and any attachments may contain privileged or confidential information. This e-mail is intended solely for the use of the individual or entity to which it is addressed. If you are not the intended recipient of this e-mail, you are hereby notified that any copying, distribution, dissemination or action taken in relation to the contents of this e-mail and any of its attachments is strictly prohibited and may be unlawful. If you have received this e-mail in error, please notify the sender immediately and permanently delete the original e-mail and destroy any copies or printouts of this e-mail as well as any attachments. To the extent representations are made herein concerning matters of a client of the firm, be advised that such representations are not those of the client and do not purport to bind them.

IRS CIRCULAR 230 NOTICE: To ensure our compliance with certain U.S. Treasury Regulations, please be advised that, unless expressly indicated otherwise, if this communication or any attachment to this communication contains advice relating to any Federal tax issue, the advice is not intended or written to be used, and cannot be used, by any person for the purpose of avoiding Federal tax penalties. If any of the advice was written to support the promotion, marketing, or recommendation of any transaction or matter addressed within the meaning of Internal Revenue Service Circular 230, you should seek advice based upon your particular circumstances from an independent tax advisor.

The City of Milwaukee is subject to Wisconsin Statutes related to public records. Unless otherwise exempted from the public records law, senders and receivers of City email should presume that the email are subject to release upon request, and to state records retention requirements. See City of Milwaukee full email disclaimer at www.milwaukee.gov/email_disclaimer.